

# **Exhibit H**

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK  
11 Civ 6201 (DLC)

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FEDERAL HOUSING FINANCE AGENCY, etc.,  
Plaintiff,  
vs.  
NOMURA HOLDING AMERICA, INC., et al.,  
Defendants.  
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DEPOSITION OF ROBERT W. HUNTER  
New York, New York  
November 13, 2014

Reported by:  
Debra Stevens

1 R. Hunter

2 Their role at that period of time was  
3 actually being reduced.

4 Q. Well, that could be, but I am  
5 asking during that time, were they among  
6 the most active and sophisticated  
7 participants in the industry that you say  
8 you are an expert in?

9 MS. SHETH: Objection to form  
10 and foundation.

11 A. Among?

12 Q. Yes.

13 A. There are probably many people  
14 out there who are more sophisticated than  
15 Fannie Mae and Freddie Mac. But were they  
16 among some of those people? I guess you  
17 could say that.

18 Q. Would it also be true to say  
19 that in that period they were two of the  
20 largest financial institutions in the  
21 United States?

22 MS. SHETH: Objection to form.

23 A. That is just a matter of record.

24 Q. Well, is it correct as a matter  
25 of record?

1 R. Hunter

2 A. Yes.

3 Q. Would you say that Freddie Mac  
4 and Fannie Mae probably had more data and  
5 more knowledge about the mortgage market  
6 than anybody else?

7 MS. SHETH: Objection to form,  
8 foundation.

9 A. Yes, for their marketplace  
10 especially.

11 Q. Would it also be true, as far as  
12 you know, that Freddie Mac and Fannie Mae  
13 had close relationships with a number of  
14 RMBS originators?

15 MS. SHETH: Objection to form  
16 and foundation.

17 A. Yes.

18 (Pause.)

19 Q. You okay?

20 A. No problem. Thank you.

21 Q. Sorry for all this paper. There  
22 will probably be more.

23 MR. TULCHIN: Can we mark,  
24 please, as 59103, Prospectus  
25 Supplement, production numbers 4811802

1 R. Hunter

2 through 4812114. This is for Series  
3 2005-AR6.

4 (Exhibit 59103, Prospectus  
5 Supplement, Bates stamped 4811802  
6 through 4812114, marked for  
7 identification, as of this date.)

8 Q. Mr. Hunter, you have the next  
9 exhibit, 59103?

10 A. Yes.

11 Q. I want to ask you, if I could,  
12 to look at page S 88. The production  
13 number ends with 894.

14 A. Yes.

15 Q. You will see towards the top is  
16 a heading that says, "Underwriting  
17 Standards."

18 A. Yes.

19 Q. Now, this section -- let me stop  
20 for a minute and go back.

21 Is it your understanding that  
22 for the seven deals at issue, the  
23 prospectus supplements made reference to  
24 underwriting guidelines of originators,  
25 specific originators, only where a

1 R. Hunter

2 specific originator was responsible for at  
3 least 20 percent of the loans at issue,  
4 the underlying loans?

5 MS. SHETH: Objection to form.

6 A. I do know that only lenders that  
7 had a specific amount -- the exact amount  
8 I don't know, but I do know they only  
9 specifically talked about lenders that met  
10 a certain, you know, percentage.

11 Q. For other lenders, the  
12 underwriting standards were described in a  
13 section of the prospectus supplement.

14 Correct?

15 A. Yes.

16 Q. Here on the page I referred you  
17 to, S 88 in Exhibit 59103, the prospectus  
18 supplement is, in fact, describing in what  
19 I am just going to say is a generic way,  
20 underwriting standards applicable to the  
21 mortgage loans in this deal. Is that  
22 fair?

23 A. Yes.

24 Q. Now, when you did your  
25 reunderwriting and applied guidelines, did

1 R. Hunter

2 you ever make any effort to apply the  
3 guidelines as described in this section  
4 and similar sections of other prospectus  
5 supplements as opposed to underwriting  
6 guidelines of specific originators?

7 A. You mean this boilerplate here?

8 Q. Yes, sir. You can call it  
9 boilerplate. Whatever you think it is.

10 A. These are just -- I mean, this  
11 is just very, very broad statements, and  
12 so we relied upon the underwriting  
13 guidelines for that specific lender or the  
14 conduit, if it was a Nomura conduit.

15 So we relied on the actual  
16 documents that would have been used to  
17 underwrite the loans.

18 Q. Now, for this deal, NAA  
19 2005-AR6, I just want to point you to  
20 pages 88, 89 and 90. I don't know. You  
21 called it boilerplate. I don't want to  
22 put any words in your mouth, but beginning  
23 with the phrase, "Underwriting standards,"  
24 that heading on 88 and going up until the  
25 heading, "Description of the Certificates"

1 R. Hunter

2 on 90, is that what you are referring to  
3 as the boilerplate?

4 A. Yes.

5 Q. Is it fair to say this is a  
6 general description of underwriting  
7 standards applicable to the loans  
8 underlying this deal. Correct?

9 A. Very broad, generic description.  
10 Yes.

11 Q. No specific underwriter is  
12 mentioned here. Correct?

13 A. Correct.

14 Q. So, it wouldn't be possible for  
15 you when doing the reunderwriting to be  
16 looking at the specific underwriting  
17 guidelines of any particular underwriter.  
18 Right? The prospectus supplement doesn't  
19 mention any of those.

20 MS. SHETH: Objection to form.

21 A. We -- you know, we reviewed the  
22 underwriting guidelines that were used in  
23 the approval of the loans because the  
24 loans were -- as we understood it, the  
25 loans were underwritten.



1 R. Hunter

2 So we applied the standard that  
3 was used to underwrite the loan. If that  
4 was the specific lender's guidelines, we  
5 use it. If it was the conduit guidelines,  
6 we used that. We tried to use the most  
7 applicable underwriting guideline for the  
8 way the loan was approved.

9 Q. What you didn't do, if I  
10 understand your testimony correctly,  
11 Mr. Hunter, when you were reunderwriting,  
12 is make any effort to apply the standards  
13 or guidelines described at pages 88 to 90  
14 of Exhibit 59103?

15 A. Well, these guidelines, as you  
16 referenced, are incorporated into the  
17 actual underwriting guidelines we would  
18 have used. This is just a boiling down of  
19 the guidelines, you know, across all the  
20 lenders that were included in that pool.

21 Q. Maybe I am confused. If my  
22 question is bad, I will try again.

23 When you did your reunderwriting  
24 for this deal, 2005-AR6, did you look at  
25 the underwriting guidelines of specific

1 R. Hunter

2 originators who originated the loans at  
3 issue?

4 A. We -- yes. And we would have  
5 also applied -- there may have also been  
6 some instances where the Nomura guideline  
7 was used and we would have used a Nomura  
8 or whatever guideline was used.

9 Q. Got you.

10 But am I right, then, in  
11 understanding that when you did your  
12 reunderwriting you did not try to apply  
13 the underwriting standard set forth at 88  
14 to 90. You looked instead at particular  
15 guidelines of specific originators?

16 A. Yes.

17 Q. Now, in this prospectus  
18 supplement, as best you remember it, is  
19 there any representation about the  
20 underwriting guidelines of any specific  
21 originator who made any of the underlying  
22 loans?

23 MS. SHETH: Take your time to  
24 look through the document if you need  
25 to.

1 R. Hunter

2 A. Can you repeat the question,  
3 please?

4 Q. The question was this, I'm just  
5 reading it from the screen.

6 In this prospectus supplement,  
7 as best you remember things, is there any  
8 representation of the underwriting  
9 guidelines of any specific originator who  
10 made any of the loans at issue?

11 A. In this specific section, I  
12 didn't see any reference to any specific  
13 originator; no.

14 Q. On page 88 of Exhibit 59103, at  
15 the end of the first sentence under,  
16 "Underwriting Standards," it says that the  
17 loans were originated generally in  
18 accordance with the underwriting criteria  
19 described in this section.

20 Do you see that?

21 A. Yes.

22 Q. And you understand this section  
23 to refer to the pages that we have talked  
24 about. Correct?

25 A. Yes.

1 R. Hunter

2 Q. So, you didn't apply the  
3 underwriting criteria described in this  
4 section; instead, you looked at particular  
5 guidelines of particular originators?

6 MS. SHETH: Asked and answered.

7 Q. Do I have that right?

8 A. There are no criteria here.  
9 These are very broad statements and that  
10 is why we looked at the underwriting  
11 guidelines to support our findings.

12 Q. I think I understand.

13 You do recall that on  
14 October 6th you issued a supplemental  
15 report, or maybe it is called rebuttal  
16 report. Is that right?

17 A. Yes.

18 Q. Can you tell me whether or not  
19 you were the person who made the decision  
20 to proceed in that fashion, or was it done  
21 collectively with the lawyers, or how did  
22 this happen?

23 MS. SHETH: Objection to form.

24 A. It was -- the attorneys  
25 determined that based on our reviews, that